

BEFORE THE SECURITIES COMMISSIONER

STATE OF COLORADO

Case No. XY 15 - CD - 01

**STIPULATION FOR CONSENT CEASE AND DESIST ORDER CONCERNING
SERVICE TEAM, INC., CARLOS ARREOLA AND ROBERT L. CASHMAN**

**IN THE MATTER OF SERVICE TEAM, INC., CARLOS ARREOLA AND ROBERT L.
CASHMAN**

The staff of the Colorado Division of Securities ("Staff") and Respondents Service Team, Inc., Carlos Arreola and Robert L. Cashman ("Respondents") hereby enter into this Stipulation for Consent Cease and Desist Order in this matter as follows:

1. Pursuant to the authority provided in §11-51-601, C.R.S., the Staff conducted an investigation into the Respondents' offer and sale of certain securities in Colorado. Based on its investigation, the Staff alleges as follows:

- a. Service Team, Inc. is incorporated in Nevada, though the Respondents' business operations are located in Villa Park, California.
- b. From approximately February 1, 2013 to approximately February 28, 2013, the Respondents engaged in offering and selling unregistered securities in Colorado;
- c. The offers and sales included at least one offer and sale of stock in Service Team, Inc. to an elderly Colorado investor on, or about, February 22, 2013;
- d. The investor paid the Respondents \$25,000.00 for 50,000 shares of the stock;
- e. The Respondents offer the stock as a growth and value stock and they have no intention of declaring any dividends;
- f. To conduct the offer and sale of stock to the Colorado investor, the Respondents engaged in a practice of using an unlicensed broker-dealer and an unlicensed sales representative;
- g. Upon information and belief, the Respondents paid an unlicensed broker-dealer, and thereby the related unlicensed sales representative, a commission of \$2,500.00 (10%);
- h. The investment opportunity constituted at least the offer and sale of "stock", which is defined as a security under §11-51-201 (17) C.R.S.;
- i. The Respondents' securities offering was not registered with the Securities Commissioner, nor it exempt from registration; and
- j. The offer was performed in violation of §11-51-301 and §11-51-401 C.R.S.

2. The Respondents have cooperated with the Staff in the investigation of this matter and assert that there is only one Colorado investor in the offering.

The Staff and the Respondents desire to resolve this matter without further litigation and, prior to the entry of a final order by the Securities Commissioner, hereby stipulate and agree as follows:

3. The Securities Commissioner for the State of Colorado has jurisdiction over the Respondents and the subject matter of this action.

4. The Respondents agree to the entry of a Consent Order in the form attached hereto as Exhibit A and incorporated herein by reference.

5. The Respondents affirmatively represent that they have the ability to pay full restitution to the Colorado investor and agree to make full payment of restitution as follows:

- a. The Respondents agree to rescind the investment by paying restitution in full in the amount of \$25,000.00 to the Colorado investor on, or before, July 31, 2014.
- b. Within two days of the date that any payment is sent to the Colorado investor, Respondents shall submit to the Staff true copies of documents, including a copy of the cashier's check, to verify that payment was made as required. Failure to make timely payments as required herein shall constitute a violation of this Consent Order and grounds for further sanctions and formal proceedings against them for such violation.

6. By entering into this Stipulation, the Respondents neither admit nor deny that the allegations and grounds set forth in this Stipulation are true.

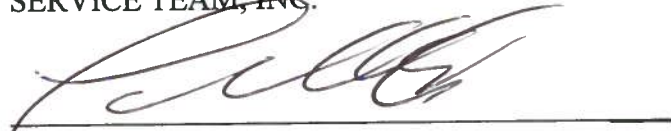
7. By entering into this Stipulation, the Respondents understand that they have the right to notice and a formal hearing pursuant to §11-51-606(1) and (1.5), C.R.S., the right to be represented by counsel of their choice, the right to present a defense through oral or documentary evidence and to cross-examine witnesses and to findings required by §11-51-606(1.5), C.R.S., at such hearing. By entering into this Stipulation, the Respondents expressly waive the rights set forth in this Paragraph 7, and further waive the right to seek judicial review of the Cease and Desist Consent Order entered pursuant to this Stipulation.

8. The Respondents acknowledge that they have entered into this Stipulation voluntarily, after the opportunity to consult with counsel of their choice, and with the understanding of the legal consequences of this Stipulation and Consent Cease and Desist Order.

9. The Respondents hereby waive the findings required by § 11-51-606(1.5)(d)(IV), C.R.S.; and, pursuant to § 11-51-704(2), C.R.S., agree that the entry of this Consent Cease and Desist Order is necessary and appropriate in the public interest and is consistent with the purposes and provisions of the Act.

10. The Respondents further acknowledge that any violation of this Stipulation or Consent Order when issued may constitute grounds for further sanctions and formal proceedings against them for such violation.

SERVICE TEAM, INC.



Carlos Arreola, President
on behalf of Service Team, Inc.

Subscribed and sworn before me this 18th day of July, 2014 by Carlos Arreola.

A. Bazán, Notary Public

Notary Public

CARLOS ARREOLA



Carlos Arreola

Subscribed and sworn before me this 18th day of July, 2014 by Carlos Arreola.

A. Bazán, Notary Public

Notary Public

ROBERT L. CASHMAN



Robert L. Cashman

Subscribed and sworn before me this 18th day of July, 2014 by Robert L. Cashman.

A. Bazán, Notary Public

Notary Public

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

CIVIL CODE § 1189

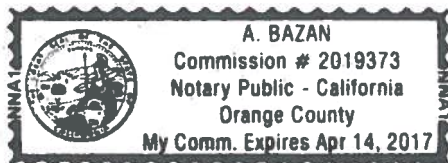
State of California

County of Orange

On 7/18/2014 before me, A. Bazan, Notary Public

personally appeared Carlos Arreola & Robert Lynn
Cashman

who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature: A. Bazan, Notary Public

Place Notary Seal Above

Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document Stipulation for consent and desist order

Title or Type of Document: concerning service team, Inc. Carlos Arreola &

Document Date: 7-18-2014 Number of Pages: 4 pages

Signer(s) Other Than Named Above: n/a

Capacity(ies) Claimed by Signer(s)

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
- ☐ Individual
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

Signer's Name: _____

- ☐ Corporate Officer — Title(s): _____
- ☐ Individual
- ☐ Partner — ☐ Limited ☐ General
- ☐ Attorney in Fact
- ☐ Trustee
- ☐ Guardian or Conservator
- ☐ Other: _____

Signer Is Representing: _____

THE STAFF OF THE DIVISION OF SECURITIES

By: Rhea Babcock
Rhea Babcock
Chief Investigator

7/28/14
Date